

on that date. Interest on a registered security which has not matured or been called and which is presented for any transaction during the period the books for that loan are closed will be paid by check drawn to the order of the registered owner of record. Upon receipt of notice of the death or incompetency of an individual named as registered owner, a change in the name or in the status of a partnership, corporation, or unincorporated association, the removal, resignation, succession, or death of a fiduciary or trustee, delivery of interest checks will be withheld pending receipt and approval of evidence showing who is entitled to receive the interest checks. If the inscriptions on securities do not clearly identify the owners, delivery of interest checks will be withheld pending reissue of the securities in the correct registration. The final installment of interest, unless otherwise provided in the offering circular or notice of call, will be paid by check drawn to the order of the registered owner of record and mailed in advance of the interest payment date in time to reach the addressee on or about that date. Interest on securities presented for prerefunding or advance refunding will be adjusted as provided in the prerefunding or advance refunding offer.

(b) *Change of address.* To assure timely delivery of interest checks, owners should promptly notify the Bureau of any change of address. (Form PD 345 may be used.) The notification must be signed by the registered owner or a joint owner or an authorized representative, and should show the owner's taxpayer identifying number, the old and new addresses, the serial number and denomination of each security, the titles of the securities (for example: 4¼ percent Treasury Bonds of 1987-92, dated August 15, 1962), and the registration of each security. Notifications by attorneys in fact, trustees, or by the legal representatives of the estates of deceased, incompetent, or minor owners should be supported by proof of their authority, unless, in the case of trustees or legal representatives, they are named in the registration.

(c) *Collection of interest checks—(1) General.* Interest checks may be col-

lected in accordance with the regulations governing the endorsement and payment of Government warrants and checks, which are contained in the current revision of Department Circular No. 21 (part 240 of this chapter).

(2) *By voluntary guardians of incompetents.* Interest checks drawn to the order of a person who has become incompetent and for whose estate no legal guardian or similar representative has been appointed should be returned to the Bureau with a full explanation of the circumstances. For collection of interest, the Department will recognize the relative responsible for the incompetent's care and support or some other person as voluntary guardian for the incompetent. (Application may be made on Form PD 1461.)

(d) *Nonreceipt, loss, theft, or destruction of interest checks.* If an interest check is not received within a reasonable period after an interest payment date, or if a check is lost, stolen, or destroyed after receipt, notification should be sent to the Bureau of the Public Debt, Division of Customer Service, Parkersburg, WV 26102. Notification should include the name and address of the owner, his taxpayer identifying number, and the serial number, denomination, and title of the security upon which the interest was payable. If the check is subsequently received or recovered, the Bureau should be notified.

[38 FR 7078, Mar. 15, 1973, as amended at 64 FR 38126, July 15, 1999]

**§ 306.38 Interest on bearer securities.**

Unless the offering circular and notice of call provide otherwise, interest on coupon securities is payable in regular course of business upon presentation and surrender of the interest coupons as they mature. Such coupons are payable at participating Federal Reserve banks or by the Bureau.<sup>8</sup> Interest on Treasury bills, and any other bearer securities which may be sold and issued on a discount basis and which are payable at par at maturity,

<sup>8</sup>Banking institutions will usually cash the coupons without charge as an accommodation to their customers.

## Fiscal Service, Treasury

## Pt. 306, Subpt. E, App.

is represented by the difference between the purchase price and the par value, and no coupons are attached.

[38 FR 7078, Mar. 15, 1973, as amended at 64 FR 38126, July 15, 1999]

### APPENDIX TO SUBPART E OF PART 306— INTEREST—COMPUTATION OF INTEREST ON TREASURY BONDS, TREASURY NOTES, AND TREASURY CERTIFICATES OF INDEBTEDNESS, AND COMPUTATION OF DISCOUNT ON TREASURY BILLS— INTEREST TABLES

#### COMPUTATION OF INTEREST ON ANNUAL BASIS

One Day's Interest is  $\frac{1}{365}$  or  $\frac{1}{366}$  of 1-Year's Interest

Computation of interest on Treasury bonds, notes, and certificates of indebtedness will be made on an annual basis in all cases where interest is payable in one amount for the full term of the security, unless such term is an exact half-year (6 months), and it is provided that interest shall be computed on a semi-annual basis.

If the term of the securities is exactly 1 year, the interest is computed for the full period at the specified rate regardless of the number of days in such period.

If the term of the securities is less than 1 full year, the annual interest period for purposes of computation is considered to be the full year from but not including the date of issue to and including the anniversary of such date.

If the term of the securities is more than 1 full year, computation is made on the basis of one full annual interest period, ending with the maturity date, and a fractional part of the preceding full annual interest period.

The computation of interest for any fractional part of an annual interest period is made on the basis of 365 actual days in such period, or 366 days if February 29 falls within such annual period.

#### COMPUTATION OF INTEREST ON SEMIANNUAL BASIS

ONE DAY'S INTEREST IS  $\frac{1}{181}$ ,  $\frac{1}{182}$ ,  $\frac{1}{183}$  OR  $\frac{1}{184}$   
OR  $\frac{1}{2}$  YEAR'S INTEREST

Computation of interest on Treasury bonds, notes, and certificates of indebtedness will be made on a semiannual basis in all cases where interest is payable for one or more full half-year (6 months) periods, or for one or more full half-year periods and a fractional part of a half-year period. A semi-annual interest period is an exact half-year or 6 months, for computation purposes, and may comprise 181, 182, 183 or 184 actual days.

An exact half-year's interest at the specified rate is computed for each full period of exactly 6 months, irrespective of the actual number of days in the half-year.

If the initial interest covers a fractional part of a half-year, computation is made on the basis of the actual number of days in the half-year (exactly 6 months) ending on the day such initial interest becomes due. If the initial interest covers a period in excess of 6 months, computation is made on the basis of one full half-year, ending with the interest due date, and a fractional part of the preceding full half-year period.

Interest for any fractional part of a full half-year period is computed on the basis of the exact number of days in the full period, including February 29 whenever it falls within such a period.

The number of days in any half-year period is shown in the following table:

#### FOR THE HALF-YEAR

Interest period	Beginning and ending days are 1st or 15th of months listed under interest period (number of days)		Beginning and ending days are last days of months listed under interest period (number of days)	
	Regular year	Leap year	Regular year	Leap year
January to July .....	181	182	181	182
February to August .....	181	182	184	184
March to September .....	184	184	183	183
April to October .....	183	183	184	184
May to November .....	184	184	183	183
June to December .....	183	183	184	184
July to January .....	184	184	184	184
August to February .....	184	184	181	182
September to March .....	181	182	182	183
October to April .....	182	183	181	182
November to May .....	181	182	182	183
December to June .....	182	183	181	182
1 year (any 2 consecutive half-years) .....	365	366	365	366